



ENERGY ASSURANCE DAILY

Thursday Evening, May 29, 2008

Electricity

Exelon's 1,093 MW Peach Bottom Nuke Unit 3 in Pennsylvania Reduced to 89 Percent by May 29

The Nuclear Regulatory Commission reported that on the morning of May 28 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Energy Northwest's 1,107 MW Columbia Nuke Unit in Washington Reduced to 85 Percent by May 29

The Nuclear Regulatory Commission reported that on the morning of May 28 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Luminant's 545 MW Sandow Coal-fired Unit 4 in Texas to Restart May 28

The unit is scheduled to restart today after it was shut to fix a boiler tube leak on Monday.

Reuters, 09:27 May 29, 2008

Update: Calpine's 751 MW Pastoria Gas-fired Unit in California Returned to Service by May 28

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 261 MW by May 28.

<http://www.caiso.com/unitstatus/data/unitstatus200805281515.html>

Update: Dominion's 871 MW Millstone Nuke Unit 2 in Connecticut Ramped Up to 81 Percent by May 29

The unit was shut due to a disturbance in the power grid May 22. The disturbance was likely a lightning strike.

Reuters, 07:12 May 29, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

TransAlta's 280 MW Sundance Coal-fired Unit 2 in Alberta Shut May 28

Reuters, 11:19 May 29, 2008

OPG's 490 MW Nanticoke Coal-fired Unit 5 in Ontario Shut by May 29

According to a company spokesman, the unit shut for short work.

Reuters, 10:15 May 29, 2008

OPG's 535 MW Lennox Oil- and Gas-fired Unit 3 in Ontario Shut by May 29

According to a company spokesman, the unit shut for short work.

Reuters, 10:18 May 29, 2008

OPG's 535 MW Lennox Oil- and Gas-fired Unit 4 in Ontario Shut by May 29

According to a company spokesman, the unit shut for short work.

Reuters, 10:18 May 29, 2008

Valero to Expand its 185,000 b/d Saint Charles, Louisiana Refinery and its 260,000 b/d Port Arthur, Texas Refinery

The company plans on expanding its two gulf coast refineries by 2012 to meet an anticipated increase supply of Canadian crude. The project includes installing a diesel-producing hydrocracker and expanding heavy-oil processing capacity with crude units and coker expansions at both refineries.

http://www.downstreamtoday.com/News/Articles/200805/Valero_Expansions_To_Target_Canadian_Cr_11079.aspx
[x](#)

Sulfur Plant Trips at ExxonMobil's 363,100 b/d Beaumont, Texas Refinery May 29

The sulfur plant at the refinery tripped during the restart of an air blower.

Bloomberg News, 01:36 May 29, 2008

Tesoro Retooling Refineries: Will Result in about 40,000 b/d More Distillate Production

Bloomberg News, 12:11 May 28, 2008

UK Business Secretary Details Plans to Increase North Sea Oil Production May 28

The new field developments, West Don and Don South West, are on schedule to begin producing up to 50,000 b/d of oil next year. New oil and gas fields will also be carved out of unprofitable parts of 30 existing fields. The plans could produce an additional peak of 20,000 b/d of oil.

http://www.rigzone.com/news/article.asp?a_id=62348

Lukoil and Gazprom Announces Major Oil Field Discovery in the Caspian Sea

The companies announced a find at the Tsentralnaya site of possibly 3.8 billion barrels of oil and 91.7 cubic meters of natural gas.

Bloomberg News, 10:17 May 29, 2008

Update: TransCanada Begins Construction on Keystone Pipeline from Alberta to the Midwest May 28

The first stage of the project is anticipated to be complete in 2010, delivering 600,000 b/d of crude to a ConocoPhillips's Wood River, Illinois Refinery. The crude will also be piped to an oil trading hub with connections to refineries in Texas.

<http://www.canada.com/calgaryherald/news/calgarybusiness/story.html?id=f4919288-4301-4d48-af9c-ebb0ea5f71e7>

Update: Statoil Delays New Refinery Project in Alberta by Two Years to 2016, Citing Tight Market, Cost Pressure and New Regulations

The company is reevaluating changing tax rules and more strict environmental regulations from the Canadian and United States governments.

Reuters, 11:43 May 29, 2008

Update: Crude Unit at Valero's 275,000 b/d Aruba Refinery Restarts May 28

The refinery was shut due to a fire in January.

Bloomberg News, 18:31 May 28, 2008

Natural Gas

Nothing to Report.

Farm Bill Raises Tax Credit for Cellulosic Ethanol Producers, Reduces Credit for Ethanol Blenders

The U.S. Senate voted on May 22 to override President George W. Bush's veto of a five-year \$289 billion farm bill. The Farm, Nutrition and Bioenergy Act of 2008 includes significant incentives for promoting production of cellulosic ethanol, including: raising the production tax credit to \$1.01 per gallon; funding for loan guarantees to commercial scale bio-refineries for advanced biofuels; a program to encourage farmers to establish and grow biomass crops in areas around biomass facilities; and continuation of research and development through the biomass energy research program administered jointly by the Departments of Agriculture and Energy. The bill also reduces a tax credit for blenders of ethanol into gasoline from \$0.51 to \$0.45 per gallon. The bill extends a \$0.54-per-gallon tariff on imports of biofuels until 2012.

<http://www.bloomberg.com/apps/news?pid=20601087&sid=amLp0Rc81U8Y&refer=home>

<http://domesticfuel.com/2008/05/18/farm-bill-promotes-cellulosic-ethanol/>

Verenium Commissioning Demonstration-Scale Cellulosic Ethanol Plant in Louisiana

Verenium Corporation announced May 28 that it has begun the commissioning phase at its 1.4 million-gallon-per-year demonstration-scale cellulosic ethanol facility in Jennings, Louisiana. Start-up activities will continue as the facility transitions into a comprehensive commissioning phase allowing the Verenium to evaluate its process for making ethanol at scale from agricultural waste left over from sugar cane processing. The commissioning phase puts Verenium on track for its goal of beginning construction in the middle of next year on a 30 million-gallon-per-year commercial plant located in the southeastern United States.

<http://ir.verenium.com/phoenix.zhtml?c=81345&p=irol-newsArticle&ID=1151140&highlight>

<http://renewablefuelsassociation.cmail1.com/e/422434/>

Update: Range Fuels Expands Funding for Commercial Cellulosic Ethanol Project in Georgia

Ethanol Producer Magazine reported in mid-May that Range Fuels Inc. had expanded private financing from \$100 million to \$166 million for the completion of the first phase of its commercial cellulosic ethanol plant located near the town of Soperton, Georgia. The first phase of construction for the Soperton Plant, which broke ground in November 2007, is targeted to produce approximately 20 million gallons of ethanol and mixed alcohols per year and is scheduled for completion in 2009. The plant will use woody biomass from Georgia's forests as a feedstock and is permitted for up to 120 million gallons per year.

[http://www.rangefuels.com/Range-Fuels-Raises-over-\\$100-Million-in-Series-B-Financing](http://www.rangefuels.com/Range-Fuels-Raises-over-$100-Million-in-Series-B-Financing)

http://ethanolproducer.com/article.jsp?article_id=4168

Energy Prices

U.S. Oil and Gas Prices			
May 29, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	127.42	131.12	62.94
NATURAL GAS Henry Hub \$/Million Btu	11.60	11.40	7.51

Source: Reuters

Energy Notes

Flaring Reported ConocoPhillips's 76,000 b/d Rodeo, California Refinery May 28

Reuters, 17:35 May 28, 2008

Contractor Arrested for Gun Possession at Entergy's 2,300 MW Indian Point Nuke Plant in New York May 28

<http://www.poughkeepsiejournal.com/apps/pbcs.dll/article?AID=/20080528/NEWS01/80528007>

Massachusetts Governor Signs an Ocean Planning Act, Guiding New Pipeline and Energy Project Locations While Protecting the Environment May 28

http://www.mass.gov/?pageID=gov3pressrelease&L=1&L0=Home&sid=Agov3&b=pressrelease&f=080528_oceans&csid=Agov3

Update: Enterprise Anticipates the Restart of Independence Hub Gas Platform in the Gulf of Mexico to Restart in June, Despite Rumors that there is Gas Flowing through the Pipelines

<http://uk.reuters.com/article/oilRpt/idUKN2737446120080527>

Iran's Oil Exports down to about 200,000 b/d for Two Months Due to Refinery Maintenance Demand – Iranian Oil Official

Reuters, 12:20 May 29, 2008

OPEC Crude Exports, Excluding Angola and Ecuador, Will Increase 360,000 b/d - Analyst

Reuters, 11:30 May 29, 2008

Petrobras to Construct Fourth New Refinery in Brazil, Potentially Similar to a Planned 600,000 b/d Refinery

<http://uk.reuters.com/article/oilRpt/idUKN2832532020080528>

U.A.E Prepared to Increase Oil Production if Market Requires More Supplies

Bloomberg News, 08:38 May 29, 2008

Update: Indonesia to Quit OPEC due to its Reduction of Status to Marginal Net Oil Exporter – Indonesian Energy Minister

http://www.rigzone.com/news/article.asp?a_id=62349

Update: Statoil Resumed Oil and Gas Production at Oseberg B Platform in the North Sea after it Shut due to a Smoke Alarm May 28

Bloomberg News, 04:48 May 29, 2008

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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